

Debra I. Grassgreen (CA Bar No. 169978)  
John D. Fiero (CA Bar No. 136557)  
Cia H. Mackle (admitted *pro hac vice*)  
PACHULSKI STANG ZIEHL & JONES LLP  
150 California Street, 15th Floor  
San Francisco, CA 94111  
Telephone: (415) 263-7000  
Facsimile: (415) 263-7010  
E-mail: dgrassgreen@pszjlaw.com  
jfiero@pszjlaw.com  
cmackle@pszjlaw.com

Proposed Counsel for the Official  
Committee of Unsecured Creditors

**UNITED STATES BANKRUPTCY COURT**  
**NORTHERN DISTRICT OF CALIFORNIA**  
**SAN FRANCISCO DIVISION**

In re:  
  
PROFESSIONAL FINANCIAL INVESTORS,  
INC., a California corporation;  
PROFESSIONAL INVESTORS SECURITY  
FUND, INC., a California corporation,  
  
Debtor.

Case No. 20-30604 (HLB)

(Jointly Administered with  
Case No. 20-30579)

Chapter 11

**APPLICATION OF THE OFFICIAL  
COMMITTEE OF UNSECURED  
CREDITORS FOR ORDER APPROVING  
EMPLOYMENT OF PACHULSKI STANG  
ZIEHL & JONES LLP AS COUNSEL TO  
THE OFFICIAL COMMITTEE OF  
UNSECURED CREDITORS**

Date: October 1, 2020

Time: 11:00 a.m.

Judge: Hannah L. Blumenstiel

Place: Telephonic/Video Appearances Only  
450 Golden Gate Avenue  
16<sup>th</sup> Floor, Courtroom 19  
San Francisco, CA 94102

The Official Committee of Unsecured Creditors (the “Committee”) of Professional Financial Investors, Inc. (“PFI”) hereby submits this application (the “Application”) to employ Pachulski Stang Ziehl & Jones LLP (“PSZJ” or the “Firm”) as its counsel in the above-captioned chapter 11 cases, effective as of August 23, 2020.

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1 Pursuant to section 1103(b) of the Bankruptcy Code, an attorney employed to represent the  
2 Committee may not, while employed by such committee, represent any other entity having an  
3 adverse interest in connection with this case. 11 U.S.C. § 1103(b). The Firm has advised the  
4 Committee that the Firm does not represent any other entity having an adverse interest in connection  
5 with the Debtor or this case.

6 The Committee has selected the Firm because of its extensive expertise and knowledge in the  
7 area of chapter 11 insolvency and business reorganizations. The Firm has served as counsel to  
8 unsecured creditors' committees in various chapter 11 cases. In addition, the Firm has served as  
9 general bankruptcy counsel to a wide range of debtors. The Firm also has extensive experience  
10 representing trustees, individual creditors, special interest committees, asset purchasers, and  
11 investors in restructurings. Copies of the biographies of Debra I. Grassgreen, John D. Fiero and Cia  
12 H. Mackle of the Firm, who are the attorneys with primary responsibility for the Committee's  
13 representation, are attached hereto as Exhibit A. The Firm's depth of experience in the areas of  
14 insolvency, business reorganizations, and debtor and creditor matters makes it highly qualified to  
15 represent the Committee. Therefore, the Committee believes that the Firm's retention is in the best  
16 interest of the Debtor's unsecured creditors.

17 The Committee seeks to engage the Firm to render the following services to the Committee,  
18 among others, and only to the extent necessary:

- 19 • to assist, advise, and represent the Committee in its consultations with the Debtor  
20 and interaction with other creditor constituencies, including the ad hoc committee  
21 of certain holders of equity interests in limited liability companies that are  
22 affiliates of PFI (the "LLC Interest Holders Committee") and ad hoc committee of  
23 certain holders of deeds of trust on property owned by PFI and/or its affiliates (the  
24 "DOT Holders Committee") or parties in interest regarding the administration of  
25 this case;
- 26 • to assist, advise, and represent the Committee in analyzing the Debtor's assets and  
27 liabilities, investigating the extent and validity of liens and participating in and  
28 reviewing any proposed asset sales, other asset dispositions, financing  
arrangements and cash collateral stipulations or proceedings;
- to assist, advise, and represent the Committee in any manner relevant to reviewing  
and determining the Debtor's rights and obligations under unexpired leases and  
executory contracts;
- to assist, advise, and represent the Committee in investigating the acts, conduct,  
assets, liabilities, and financial condition of the Debtor, the operation of the

Debtor's business and the desirability of the continuance of any portion of the business, and any other matters relevant to this case or to the formulation of a plan;

- to assist, advise, and represent the Committee in its participation in the negotiation, formulation, and drafting of a plan of reorganization or liquidation;
- to provide advice to the Committee on the issues concerning the appointment of a trustee or examiner under section 1104 of the Bankruptcy Code;
- to assist, advise, and represent the Committee in the performance of all of its duties and powers under the Bankruptcy Code and the Bankruptcy Rules and in the performance of such other services as are in the interests of those represented by the Committee; and
- to assist, advise, and represent the Committee in the evaluation of claims and any litigation matters.

Subject to the applicable provisions of the Bankruptcy Code, the Committee proposes that the Firm be paid by the Debtor on an hourly basis and be reimbursed by the Debtor according to its customary reimbursement policies, *provided, however*, that because the unsecured creditor body is comprised primarily of victims, with respect to its partner timekeepers, the Firm has agreed in this case to a 10% discount off its standard hourly rates. The hourly rates of the attorneys of the Firm currently expected to be principally responsible for this case are: Debra I. Grassgreen (\$985.50); John Fiero (\$855); and Cia H. Mackle (\$675).<sup>1</sup> The Committee has been advised that the hourly rate for the paralegal assigned to this case is \$425.00.

The Firm has represented to the Committee and has stated in the *Declaration of Debra I. Grassgreen in Support of Application of the Official Committee of Unsecured Creditors for Order Approving Employment of Pachulski Stang Ziehl & Jones LLP as Counsel to the Official Committee of Unsecured Creditors*, filed concurrently herewith (the "Grassgreen Declaration"), that (i) it will not receive a retainer and (ii) it categorizes its billing into subject matter categories in compliance with applicable guidelines, including the *United States Bankruptcy Court Northern District of California Guidelines for Compensation and Expense Reimbursement of Professionals and Trustees*. The Firm understands that its compensation in these cases is subject to the applicable provisions of the Bankruptcy Code.

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<sup>1</sup> Ms. Mackle is of counsel to the Firm; accordingly, there shall be no discount provided with respect to her hourly rate.

1 To the best of the Committee's knowledge, based on representations in the Grassgreen  
2 Declaration, except as stated in the Grassgreen Declaration, the Firm is "disinterested" in that it has  
3 no connection with the Debtor, its creditors, any other party in interest herein, their respective  
4 attorneys or professionals, the United States Trustee or any person employed in the Office of the  
5 United States Trustee. As stated more fully in the Grassgreen Declaration, the Firm does not hold,  
6 or represent any entity having, an adverse interest in connection with the Debtor or this case. The  
7 Firm does not employ any person who is related to a judge of this Court. Accordingly, the Firm is  
8 qualified to represent the Committee under section 1103 of the Bankruptcy Code.

9 **WHEREFORE**, the Committee requests that this Court approve the employment of  
10 Pachulski Stang Ziehl & Jones LLP as counsel, effective as of August 23, 2020, to render services as  
11 described above with compensation to be paid as an administrative expense at such times and in such  
12 amounts as the Court may hereafter determine and allow under sections 507(a) and 503(b) of the  
13 Bankruptcy Code.

1 Dated: September 10, 2020

2 **OFFICIAL COMMITTEE OF UNSECURED**  
3 **CREDITORS OF PROFESSIONAL FINANCIAL**  
4 **INVESTORS, INC.**

5 */s/ Keith Merron*

6 By: Keith Merron

7 Solely in its capacity as Chair of the Official  
8 Committee of Unsecured Creditors of Professional  
9 Financial Investors, Inc., and not in any other capacity  
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# EXHIBIT A



150 California Street  
15th Floor  
San Francisco, CA  
94111-4500

## Debra Grassgreen

Tel: 415.217.5102 | Tel: 415.263.7000 | [dgrassgreen@pszjlaw.com](mailto:dgrassgreen@pszjlaw.com)

### EDUCATION

University of Florida (B.S.  
B.A. 1988; Outstanding  
Female Graduate)

University of Florida (J.D.,  
with honors, 1991)

### BAR AND COURT ADMISSIONS

1992, Florida

1994, California

Ms. Grassgreen is a senior partner in the firm's San Francisco office and heads the firm's international insolvency practice. She is president of the prestigious International Insolvency Institute (the first woman to be elected to that position) and is widely regarded as a leading expert on cross border restructuring matters. Ms. Grassgreen has significant experience representing debtors, trustees, and creditors' committees in large and complex chapter 11 cases nationwide and internationally. Ms. Grassgreen has participated in the United Nations working group (UNCITRAL) developing a uniform international insolvency law and materials to assist countries in the adoption and implementation of insolvency legislation for over ten years.

Ms. Grassgreen is listed in *Who's Who Legal: Thought Leaders—Global Elite 2019*, one of only seven U.S.-based lawyers listed for Restructuring and Insolvency and has been named by the *Daily Journal* as one of the top 100 women lawyers in California for several years. She is a fellow in the American College of Bankruptcy, and has been listed in *Best Lawyers in America* every year since 2001 for her work in both Bankruptcy and Creditor Debtor Rights/Insolvency and Reorganization Law and Litigation - Bankruptcy. Ms. Grassgreen holds an AV Preeminent Peer Rating, Martindale-Hubbell's highest recognition for ethical standards and legal ability, and is ranked among Bankruptcy/Restructuring attorneys by Chambers USA. Every year since 2010, she has been named a "Northern California Super Lawyer" by *San Francisco Magazine*. She was also listed by *Lawdragon* as one of the 2020 "Lawdragon 500 Leading Global Restructuring & Insolvency Lawyers." Ms. Grassgreen is a graduate of the University of Florida, where she also received her J.D., and is admitted to practice in Florida as well as California.



## Representations

Debtors/trustees: Solyndra LLC; American Suzuki Motor Corporation; Blue Earth; APVO; Tintri; New Zoom; Ultura (APTwater Rochem); Airxpanders; Select Staffing; Exigen (USA); Digital Domain Media; Highway Technologies; Global Aviation (cocounsel); Mesa Air Group; MagnaChip Semiconductor; Dunmore Homes; Woodside Homes; Webvan Group; Pacific Crossing Limited (subsidiary of Global Crossing); RBX Industries; Laura West Enterprises; Clarent Corporation; Breed Technologies; TCW/Camil Holdings; Sleepmaster Corporation; Sizzler International; Fresh Choice; Tri-Valley Growers; Dana Corporation (cocounsel); Le-Nature's; Crown Paper; Mike Tyson; Toni Braxton; Ronald Isley

Creditors' committees: Chinos Holdings (J.Crew Group); EP Energy; The Weinstein Company; Open Road Films; Payless Holdings (2017); Payless Holdings (2019); Zetta Jet; BCBG Max Azria; SFX Entertainment; RDIO, Inc.; BR Festivals; Twenty First Century Film Corporation; Death Row Records/ Marion "Suge" Knight; Flying J; Trident Microsystems (Far East) Ltd; LandSource Communities Development; Chrysler (cocounsel); SK Foods; Frank Parsons International

Lenders/investors/creditors in Videology (Group M); Ciber (Zayo); Baupost (PG&E); Stion (Khosla Ventures); Quirky Inc. (KleinerPerkins, A16, Norwest); Nirvanix; KiOR (Khosla Ventures); PacWest Telecom (CVC)

Out-of-court workouts: International bioengineering firm; Israeli solar developer; Spanish & US-based wind developer; provider of end-to-end mobile media solutions; solar module manufacturer Amonix; numerous venture-backed technology companies

Other: Counsel to former San Francisco Mayor Art Agnos as receiver of the SF Housing Authority

## Professional Affiliations

President, International Insolvency Institute (2019-)

Executive Vice President, International Insolvency Institute (2017-2019)

Fellow, American College of Bankruptcy

Board of Directors, American College of Bankruptcy Foundation (2013-2016)

Member, Advisory Committee of the American Bankruptcy Institute Commission to Study the Reform of Chapter 11

Board of Directors, International Women's Insolvency & Restructuring Confederation ("IWIRC")(2010-2014)

IWIRC Delegate to UNCITRAL

Member, International Bar Association

## Programs and Lectures

Practicing Law Institute (standing faculty); American Bankruptcy Institute; Turnaround Management Association; State Bar of California; Beverly Hills Bar Association; American Bar Association; Bar Association of San Francisco; University of Florida College of Law; California Continuing Education of the Bar; Association of Insolvency and Restructuring Accountants; International Council of Shopping Centers, International Insolvency Institute, INSOL, UNCITRAL

## Publications

First Day Motions (3d ed.)

A Guide to the Critical First Days of a Bankruptcy Case  
American Bankruptcy Institute, June 2012

Valuation and the Chapter 11 Process

Contested Valuation in Corporate Bankruptcy: A Collier Monograph  
(LexisNexis), 2011

Individual Chapter 11 Cases After BAPCPA

What Happened to the "Fresh Start"?

2006 Annual Survey of Bankruptcy Law 309 (West 2006), 2006

Coauthor with M. Litvak: *First Day Motions: A Guide to the Critical First Days of a Bankruptcy Case* (ABI 2d ed. 2006)(sole author of 1st ed. 2003)

Coauthor with P. Egan: "Valuation and the Chapter 11 Process" in *Contested Valuation in Corporate Bankruptcy - A Collier Monograph* (LexisNexis 2011)

Author: "Individual Chapter 11 Cases After BAPCPA: What Happened to the "Fresh Start?" 2006 *Annual Survey of Bankruptcy Law* 309 (West 2006)

"Property of the Estate," in *Understanding the Basics of Bankruptcy & Reorganization 2005*, 880 *PLI/Comm* 145 (2005)

"Sale of Assets," in *Understanding the Basics of Bankruptcy & Reorganization 2005*, 880 *PLI/Comm* 249 (2005)

"Rejection, Assumption and Assignment of Real Estate Leases Generally," in *Impact of Bankruptcy on Real Property Transactions* (Cal. Cont. Ed. of the Bar 2003)



150 California Street  
15th Floor  
San Francisco, CA  
94111-4500

## John D. Fiero

Tel: 415.263.7000 | [jfiero@pszjlaw.com](mailto:jfiero@pszjlaw.com)

### EDUCATION

University of Massachusetts  
(B.A. 1985)

Hastings College of the Law,  
University of California (J.D.,  
*cum laude*, 1988)

### BAR AND COURT ADMISSIONS

1988, California

Mr. Fiero serves as a co-chair of the firm's Committee Practice Group and maintains a national practice representing debtors, committees, acquirers, and other significant parties in interest in complex reorganizations and financially distressed situations, both in and out of court.

Mr. Fiero is a graduate of the University of Massachusetts at Amherst and received his J.D. from Hastings College of the Law, where he was associate note editor for the *Hastings Journal of Communications and Entertainment Law*.

Mr. Fiero is a co-chair of the 2018 California Bankruptcy Forum. Every year since 2004, he has been named a Super Lawyer by *San Francisco Magazine*. He is also credited for his "highly constructive approach" in *Chambers USA's* list of leading bankruptcy and restructuring lawyers and has been named every year since 2013 for his work in bankruptcy and creditor-debtor rights law by *Best Lawyers in America*. Mr. Fiero is admitted to practice in California and is resident in our San Francisco office.

## Representations

Chapter 11 debtors: Tintri (Delaware); NewZoom Inc. (San Francisco); Arlie & Co. (Eugene, Oregon); ManagedStorage International (Delaware); Heller Ehrman LLP (San Francisco); Tri Valley Growers (Oakland); Webvan (Delaware)

Creditors' committees: Chinos Holdings (J.Crew) (Virginia); Munchery Inc. (San Francisco); Imperial Toy (San Jose); PopExpert (San Francisco); Yellow Cab Cooperative (San Francisco); Rdio, Inc. (San Francisco); Deerfield Ranch Winery (Santa Rosa); Event Rentals (Delaware); BR Festivals (Santa Rosa); IntraOp Medical Corporation (San Jose); Orchard Supply Hardware (Delaware); Trident Microsystems (Delaware); Carinalli (Santa Rosa); Humboldt Creamery LLC (Santa Rosa); Pacific Lumber Company (Corpus Christi); The Billing Resource (San Jose); Prediwave Corporation (Oakland);

Crescent Jewelers (Oakland); Northpoint Communications (San Francisco); Adesta Communications (Omaha); Western Integrated Networks (WinFirst) (Denver); Metricom (San Jose)

Chapter 7 debtor in Beamreach Solar (San Jose)

Buyer in Achaogen chapter 11 case (Delaware)

## Professional Affiliations

Trustee, UC Hastings College of the Law Foundation

Member, United States Bankruptcy Court for the Northern District of California Bench-Bar Liaison Committee (2006 - 2009)

Chair, American Bar Association Real Property Section Litigation and Dispute Resolution Committee (1998-2000)

## Programs and Lectures

Bar Association of San Francisco, California Bankruptcy Forum, International Women's Insolvency & Restructuring Confederation, American Bar Association, American Bankruptcy Institute

## Publications

Music Festival Insolvencies: What Happens When the Music Stops?  
37 ABI Journal 48 (No. 4 April 2018), April 2018

Properly Structured Private Equity Fund Avoids Pension Withdrawal Liability  
Pachulski Bulletin #11, December 2012

Creditor's Self-Interest Precludes Fee Reimbursement From the Estate  
September 2012



10100 Santa Monica Blvd.  
13th Floor  
Los Angeles, CA 90067-4003

## Cia H. Mackle

Tel: 310/277-6910 | [cmackle@pszjlaw.com](mailto:cmackle@pszjlaw.com)

### EDUCATION

Duke University (A.B. 2003).

University of Southern  
California (J.D. 2006).

### BAR AND COURT ADMISSIONS

2006, Florida.

Ms. Mackle's practice has focused on a broad range of domestic and international business reorganization and restructuring matters, including the representation of debtors in possession, chapter 11 trustees, creditors' committees, and institutional creditors acting in various capacities. Ms. Mackle has also been involved in various bankruptcy litigation matters. She is a graduate of Duke University and received her J.D. from University of Southern California where she was a member of the *Southern California Law Review*. Ms. Mackle is admitted to practice in Florida.

### Representations

Chapter 11 trustee in Estate Financial